Signature invalid

[illegible]

FOOD SAFETY AUDIT REPORT

#19408-A
Peanut Corporation of America
14075 Magnolia St.
Blakely, GA 39823-0448

By
EUGENE A. HATFIELD
Food Safety Auditor

March 27, 2008

AIB International
1213 Bakers Way • PO Box 3999 • Manhattan, KS 66505-3999
(785-537-4750) • (800-633-5137) • Fax (785-537-1493)
http://www.aibonline.org

K 000057

CONFIDENTIAL

RATING

A food safety audit was conducted at this facility on March 27, 2008.

The writer was accompanied throughout the audit by Mr. Danny Kilgore, Operations Manager; and Ms. Annie Bristow, Janitorial and Sanitation Director.

Excellent cooperation was received by the writer, and on some occasions, the items were immediately corrected.

At the conclusion of the audit, a meeting was held to discuss the observations, recommendations, and rating. The meeting was held with Mr. Danny Kilgore, Operations Manager.

Based on the observations made, the information obtained, and the criteria set forth in the *AIB Consolidated Standards for Food Safety*, the overall food safety level of this facility was considered to be:

SUPERIOR
(910)

The "serious" or "unsatisfactory" items are shaded, boxed, and bolded in the text of the report. Refer to the definitions in the AIB Consolidated Standards.

The "improvement needed" items are designated in bold type and require prompt attention.

The AIB International states that the report as given herein is to be construed as its findings and recommendations as of the date of this report. The AIB International accepts no responsibility and does not assume any responsibility for the food safety program in effect with (customer). That further AIB International is only making report of the food safety conditions of (customer) as of the date of this report and assumes no responsibility or liability as to whether (customer) carries out the recommendations as contained in this report or does not carry out the recommendations as contained in this report.

RATING ANALYSIS

DATE OF AUDIT: March 27, 2008

TYPE OF AUDIT: Announced

OVERALL RATING: SUPERIOR

ADEQUACY OF FOOD SAFETY PROGRAM	175
PEST CONTROL	195
OPERATIONAL METHODS AND PERSONNEL PRACTICES	175
MAINTENANCE FOR FOOD SAFETY	175
CLEANING PRACTICES	190
TOTAL:	910

K 000059

CONFIDENTIAL

INCIDENCE FREQUENCY REPORT (IFR)

	AP	PC	OP	MS	CP	*TBA	UN	SER
PLANT OVERVIEW	3	2	1	0	1	7	0	0
EXTERIOR AND ROOF	0	0	0	1	0	1	0	0
SUPPORT AREAS	0	0	0	1	0	1	0	0
MAINTENANCE AREAS	0	0	1	0	0	1	0	0
WAREHOUSE	0	0	0	0	0	0	0	0
PEANUT BUTTER AND PASTE OPERATIONS	0	0	1	2	2	5	0	0
TOTAL ITEMS BY CATEGORY	3	2	3	4	3		0	0

*TBA = TOTAL ITEMS BY AREA

AP = Adequacy of Food Safety Program
PC = Pest Control
OP = Operational Methods and Personnel Practices
MS = Maintenance for Food Safety
CP = Cleaning Practices
UN = Unsatisfactory
SER = Serious

K 000060

CONFIDENTIAL

FACTUAL OBSERVATIONS AND SPECIFIC RECOMMENDATIONS

PLANT OVERVIEW

1. COM A current organizational chart dated January 12, 2008, was maintained. The responsibility and authority for ensuring food safety and security, and the facility's compliance with federal, state, governmental, and/or any other appropriate regulatory laws or guidelines were clearly assigned to the Operations Manager. This responsible person remains up to date on regulatory issues and has obtained the required regulatory food security registration dated 11/0/03.

2. COM A Food Safety Manual had been developed. This manual included work instructions and/or job descriptions outlining the specific responsibilities of each department manager and employees, a Quality Policy signed by the Company President with a revision date of January 28, 2006, and written policies for the programs listed in the *AIB Consolidated Standards for Food Safety*.

3. AP **This facility had established a multidisciplinary food safety committee to conduct monthly inspections of the entire plant. Inspections were generally performed by the Operations Manager and/or Janitorial/Sanitation Director. Documentation of the monthly inspections included identified deficiencies, specific assignments, and actual accomplishments. Inspections reviewed included January, 2008, February, 2008, and March, 2008. Follow-up inspections were done to ensure that the items were corrected. In addition, systems and procedures critical to product safety and quality were audited to ensure they were in place, appropriate, and complied with. This audit was performed by the Quality Assurance Manager and Operations Manager annually, most recently on January 12, 2008, by the Operations Manager. Continued attention to items that had the potential to impact product zones was recommended. Items such as the paste room hoist maintenance, cleaning and sealing gaps in vertical support beams, and open ingredient containers in the peanut butter mixing area. (IMPROVEMENT NEEDED)**

4. COM The facility appeared to maintain an adequate budget and support to maintain the proper and timely acquisition of appropriate tools, materials, equipment, monitoring devices, chemicals, and pest control materials.

5. AP A Master Cleaning Schedule (MCS) and a daily housekeeping schedule were developed as a formalized, written plan and implemented in this facility. This MCS specified frequency and responsibility. Postcleaning evaluations were conducted. The schedules were documented as current, and the conditions observed in the plant supported the documentation. The schedule included the outside grounds, buildings, drains, and equipment. The schedule was reviewed periodically to ensure that it was still applicable. Continued emphasis on cleaning the edges around the peanut butter pour-up stations and the floor/wall junctions and gaps in the paste room were needed.

6. COM Detailed, written cleaning procedures were developed and on file for all cleaning tasks in the facility. These procedures included the chemicals, concentrations, tools, and disassembly instructions for equipment at the level needed to facilitate the appropriate sanitation maintenance of the processing and packaging equipment, building areas, and outside grounds. Specific cleaning procedures were developed to prevent cross-contamination amid allergen and non-allergen-containing products.

7. COM Incoming goods and ingredients received into the facility were inspected according to established written procedures. The incoming goods were checked for damage, cleanliness, and pest activity. The receiving records included date of receipt, carrier, lot number, amount, seal numbers (when applicable), and product and vehicle conditions. Raw materials that contain allergens or are susceptible to mycotoxins, autolysis from temperature abuse, or pathogenic microorganisms were segregated and covered by a separate written procedure with appropriate documentation.

8. COM Bulk deliveries of liquid materials included a visual inspection both before and after unloading. Verification was conducted that hatch and hose seals matched those listed on the bill of lading to ensure load integrity in transit. The findings were documented.

9. COM Appropriate specifications were on file for the raw materials, packaging materials, finished products, and intermediate/semiprocessed products. These specifications were detailed to ensure compliance with relevant food safety and legislative requirements. These specifications were periodically reviewed and formally agreed upon with relevant parties.

10. COM Certificates of analysis and/or supplier guarantees for raw materials, food packaging, and finished products were maintained on file.

11. COM A Hazard Analysis Critical Control Point (HACCP) program had been developed and implemented for all processes and process lines. The program included the following components: Description of the products manufactured and hazards inherent to them, determined through risk assessment; Identification of critical control points (CCP) and critical limits; Procedures to control the CCPs; Determination of the monitoring frequency for the CCPs and designation of the person(s) responsible for testing; Established and documented deviation procedures; Written verification program, with proper documentation; Documentation of procedures, records of conformance, and corrective actions. This facility had evaluated the processes and procedures and determined that no critical control points were present in the operation. The designated monitoring control points (MCPs) were specified and described. The most recent program reassessment had been performed by the Operations Manager on January 12, 2008.

12. COM The company had established written employee and Good Manufacturing Practices (GMPs) policies. Specific written procedures were on file for providing food safety training to all personnel, including temporary personnel and contractors. Employees also attended monthly food safety meetings that reviewed different aspects of food safety and GMPs. Records of training completion for new employees and annual refresher training documentation were maintained for all personnel. The most recent employee meeting was held on 03/05/08. Items covered included AIB, GMP, hand sanitation, spillage and clean-up. The annual employee training was held in January and February, 2008.

13. COM A written program for evaluating consumer complaints was established at this location. This program included the rapid dissemination of complaint information to all departments responsible for implementing the food safety program. Complaint information was used, where appropriate, to avoid recurrence and implement ongoing improvements to product safety, legality, and quality. Actions appropriate to the seriousness and frequency of the problems identified appeared to be carried out promptly and effectively.

14. COM A written recall program was on file. All finished products were coded. Product traceability was accomplished through the recording of raw material lot numbers on production records, and included source identification for work in progress and rework. Distribution records were maintained to identify the initial point of distribution to facilitate segregation and recall of specific lots. The recall program was tested every six months with appropriate documentation maintained on file. The most recent mock recall was done on January 15, 2008. The incoming peanut lot number tracked was 14675 received on October 18, 2007, from a known supplier. The peanut lot number was used in a number of manufactured products, manufacturing codes for 7 items were provided. The mock recall was completed in two hours and 15 minutes with 100 % effectiveness documented.

15. COM Written procedures were in place to control nonconforming product, including work in progress, finished product, and returned goods. Corrective actions equal to the seriousness of the risk appeared to be taken. Records were kept of the corrective actions and disposition of the product. The disposition records account for the total quantity of the nonconforming material produced.

16. COM A written policy on how to handle regulatory and third party inspections was on file. These procedures included the person(s) delegated to accompany all inspectors and company policies regarding photographs, records, and samples. The most recent regulatory inspection was done by the Georgia Department of Agriculture, Consumer Protection Division, on December 14, 2007. No violations were noted.

17. COM A written program to evaluate and select suppliers of goods and services that affect product quality and food safety had been implemented. An approved list of these suppliers was maintained. An approved list of these suppliers dated December 29, 2005, was maintained.

18. AP A written policy stating that no glass or brittle plastics were to be used in the facility, except where absolutely necessary, was in place. Included in the policy was a procedure on how to handle any glass breakage in the facility. A list of all essential glass had been developed and was audited on a routine frequency to ensure that any accidental breakage was found and addressed. The most recent audit was done on March 1, 2008. One deficiency was observed during this audit. Additional attention to cracked light covers was recommended.

19. COM A formal preventive maintenance program and work order system was in use to prioritize the elements of identified structural, equipment, or utensil maintenance problems that could cause food adulteration. The program listed the equipment and frequency of the work required to keep the equipment and facility well maintained and in good order. A program to ensure that the safety and legality of product were not jeopardized during maintenance operations was implemented at this facility.

20. COM This operation had established a formalized program for the control of bacteria, yeast, and mold as required. Records of laboratory analysis and/or environmental sampling were maintained. Environmental samples were sent to an approved, outside laboratory for testing. Finished product testing was determined by customer requirements and could include total plate count, coliforms, E. coli, Salmonella, and Staphylococcus aureus. All microbiological testing would be performed by an approved, outside laboratory. The on-site laboratory was maintained in such a manner as not to jeopardize the safety of product.

21. COM A formalized pest control program was established with written procedures outlining the requirements of the program to reduce the potential for product contamination from pest activity or use of materials and/or procedures designed to control pest activity.

22. COM Facility management contracted the McCall Services, Inc., Company to provide weekly pest control services for the exterior of the facility and the interior rodent control program. Also, McCall Services, Inc., provided weekly service for the interior insect light traps. A copy of the service agreement that included materials to be used, methods, and precautions was maintained on file. Copies of the current Georgia State Department of Agriculture license with an expiration date of 06/30/09, liability insurance with expiration date of 08/01/08, and current applicator's license with an expiration date of 06/30/09 were maintained on file. In addition, Adams Pest Control was contracted to perform weekly interior crack and crevice pesticide applications in the facility and offices. Copies of the Georgia State Department of Agriculture license with an expiration date of 06/30/09, liability insurance with expiration date of 03/01/09, and current applicator's license with an expiration date of 06/30/09.

23. COM Material Safety Data Sheets (MSDS) and sample labels were maintained on file for all pesticides applied and/or stored on the premises.

24. COM A service report was left after each visit by the outside pest control service. These records included the treatments and tasks carried out, documentation of the checks and findings for the pest monitoring devices, descriptions of the current levels of pest activity, and recommendations for actions needed to correct conditions allowing a potential for pest activity. The most recent interior service date was March 25, 2008, the most recent exterior service date was March 26, 2008.

25. COM Documentation of all pesticides applied on the premises, including rodenticides, included materials applied, target organism, amount applied, specific area where pesticide was applied, method of application; rate of application or dosage, date and time treated, and applicator's signature. This documentation indicated that the applications were made in accordance with the label directions. A pesticide list was provided. Pesticides used since the previous audit included Generation mini blocks, EPA registration number 7173-218 and Niban Granular Bait, # 64405-2. Entech Fog 5, # 40391-3, was used in the automatic fogging system on-site when needed. This system was operated by facility personnel. The Adams Pest Control pesticide being used for crack and crevice treatment was Bifen I/T, EPA registration # 53883-118.

26. COM Schematics depicting the locations of the interior and exterior pest control devices, including 60 mechanical Tin Cat rodent traps, four insect light traps, and 28 bait stations, were maintained on file and appeared current.

27. PC Mechanical mousetraps were installed to monitor for rodent activity inside the facility. These traps were properly positioned along walls and beside doors to the outside. The traps were inspected on a weekly basis, and a record was maintained of service and cleaning of each rodent control device. A rodent activity log used to record captures and help direct any necessary corrective actions. The traps randomly examined appeared properly maintained. During the interior inspection, it was noted that several Tin Cats were found to be moved out of position. Employees should be reminded to replace a trap when it is moved due to cleaning or maintenance in order to maintain an effective rodent control program.

28. COM Bait stations for rodent control were installed around the exterior perimeter of the facility at appropriate intervals. These stations were tamper resistant, properly positioned, anchored in place, locked, and properly labeled in compliance with regulatory requirements. All stations were serviced at least monthly. Fresh bait had been supplied in the stations randomly examined. The service and results of the checks were documented on plastic punch cards inside each trap and on the pesticide usage sheets provided.

29. PC Electronic flying insect light traps (ILT's) were used in the facility to aid in monitoring insect activity. These traps were more than ten feet (three meters) from exposed product. The traps were scheduled for weekly cleaning in the summer and monthly cleaning in the winter. A record of the service and cleaning of each ILT was maintained, and the activity levels documented. The light tubes were replaced annually and supporting documentation was maintained. The insect light trap located inside the caged ingredient storage room had one light not working and a glue board with many insects on it. The light bulb should be replaced and a new glue board should be installed.

30. COM Pheromone lures or traps were not currently in use in this facility.

31. COM All pesticides and application equipment used as part of the on-site automatic fogging system were stored in a locked and ventilated room identified with appropriate signage. Materials to control spills or leakage were provided in the storage enclosure. All other pesticides and application equipment were provided by the contract PCOs. No deviations were noted during the facility inspection.

32. COM No evidence of rodent or bird activity was noted in or around the facility.

33. OP Eighteen-inch perimeters were generally maintained in all storage areas to provide cleaning and inspection access. Adequate space for cleaning was maintained between rows of stored products. However, several cardboard boxes were stored on the perimeter in the UPS shipping corner and several buckets and containers on the perimeter inside the chemical storage cage. Items stored on the perimeter in the UPS shipping corner and the chemical cage should be elevated to allow inspection and cleaning.

34. COM All incoming ingredients and packaging materials were dated on receipt to ease 'first-in, first-out' stock rotation. A formal program was in place to monitor and repalletize raw materials susceptible to stored product pest activity that were in storage for more than four weeks. Ingredients noted included stabilizer, flour salt, and molasses powder.

35. COM Materials in storage were adequately segregated to prevent contamination. Segregated storage was provided for allergen containing ingredients, packaging materials, Research and Development items, cleaning and maintenance chemicals, nonconforming stock, and nonproduct related materials, such as parts and equipment.

36. COM Metal detection equipment was provided on each product line. The metal detectors were checked regularly throughout the shift using the relevant test pieces for 2.0 mm ferrous, 2.0 mm nonferrous, and 2.0 mm 316 stainless steel. The detectors employed the use of both an alarm and a positive reject mechanism. Rejected material was diverted into a secured container or was removed from the line. Documentation of the checks was maintained. The detectors were checked during the survey and found properly to detect and reject the provided test pieces. It was noted that the case metal detectors did not reject product but used a belt stop as the rejection method. This was due to the size of the container and the loose product involved. The peanut butter metal detector was a flow-thru unit and rejected into a container.

37. COM Procedures for corrective actions to respond to any failure of the metal detectors were on file. These included training, isolation, quarantining, and reinspection of all food produced since the last acceptable test of the metal detector.

38. COM Company policy required that all employees' cuts and grazes on exposed skin be covered by a company-issued metal detectable metal strip bandage. These bandages were tested on a predetermined frequency through a metal detector and supporting documentation was maintained.

39. COM All outside receiving lines or caps for bulk liquid ingredients were locked and identified. The liquid nitrogen tank and receiving line were located inside a locked fence enclosure.

40. COM Accessible and cleanable in-line receiving strainers had been provided for the bulk liquid ingredients. The strainer was examined on a per load basis, and documentation was maintained. The receiving strainer was checked during the survey and found clean and in good condition.

41. COM Adequate hand washing and sanitizing stations were located at appropriate locations and used properly by the employees. "Wash Hands" signs were displayed in the rest rooms, lunchroom, and by sinks and entryways to production areas.

42. COM The washrooms and locker rooms were maintained in an acceptable sanitary condition. The lockers were inspected monthly as a sanitary control, and no open food or drink was allowed.

43. COM A formal allergen program dated January 18, 2005, and reviewed on January 12, 2008, was in place that included written policies and procedures. Effective measures were undertaken to prevent cross contamination amid incompatible materials.

44. COM All shipping vehicles were inspected before loading for cleanliness and structural defects that could jeopardize product integrity, and documentation was maintained. Security seals were provided on and documented for all outbound vehicles.

45. COM Employees observed in the facility were wearing adequate hair and beard restraints. Their clothing and uniforms were clean and well maintained. No evidence of loose or unsecured jewelry was noted.

46. COM No evidence of eating, drinking, or smoking in unauthorized areas was observed. No smoking was allowed except on the exterior of the facility.

47. COM All personal property was stored in appropriate locations defined by company policy.

48. COM Some measures were undertaken to maintain site security. Site security strategies included fencing, controlled gate access at night, parking outside the fenced area, locked doors at night, employee entrance had keypad entry, interior and exterior surveillance cameras, truck seals, employee screening, and awareness and training programs.

49. COM The exterior grounds were adequately maintained to prevent pest harborage. Waste collection containers were located approximately 100 feet behind the facility and spillage was kept to a minimum.

50. COM Fixtures, ducts, and pipes were generally properly installed and maintained to prevent contamination from leaks, condensation, or insulating material.

51. COM Adequate ventilation was provided in the facility. Filters were in place in air make up units. Fans were maintained and operated in a manner to avoid product contamination.

52. COM A calibration program was in place for all regulating and recording controls. This was included as part of the facility Standard Operating Procedures. Accurate Scale Company, also the Georgia Department of Agriculture, Scales and Measures Division, tested the facility scales. The roaster companies, Proctor, AeroGlide, and Pittman oil roasters were used to standardize the roaster control systems. Temperatures were monitored internally to assure proper temperature control.

53. COM Compressed air used in processing was properly filtered, and a program was in place to inspect and replace traps and/or filters.

54. COM Only food grade lubricants were used on food processing machines. These lubricants were fully segregated in a designated location, the maintenance shop.

55. COM Potable water was supplied from an appropriate source, the Blakely City Water System. A program was in place to monitor water quality. The facility had a report from the city based on the Clean Water Act requirements.

56. COM Devices were installed and maintained where appropriate to prevent backflow and/or back siphonage. While the facility did not have in-line back flow prevention devices, anti-siphon devices were observed on faucets located around and inside the facility.

57. COM All fluorescent light tubes, essential glass, and brittle plastic in the facility appeared to be protected from accidental breakage, or were accounted for in the Glass and Brittle Plastics Management Program.

58. COM The floors, walls, and ceilings throughout the plant were generally of sound construction and well maintained. No roof leakage was evident.

59. COM An ongoing housekeeping program was in place throughout the hours of operation so that operational debris was kept to a minimum.

60. CP Adequate cleaning equipment and tools were available and stored away from the production areas. During the facility inspection, several wooden-handled utensils were observed, such as scrapers and sweepers. It was recommended that no wooden-handled utensils be used in food production areas due to the possibility of splintering or breakage.

61. COM The equipment was cleaned according to the MCS to prevent the development of microorganisms, insects, or foreign material.

62. COM Food contact cleaning surfaces and utensils were cleaned often enough to remove food residue and maintain a good cosmetic appearance.

63. COM Only cleaning compounds and sanitizers that are authorized for use on food contact surfaces were used for cleaning. The chemical control program consisted of purchasing from approved vendors only. Materials purchased were approved by the sanitation Director or maintenance manager prior to purchase. In addition, chemicals used for cleaning were kept in a locked cage inside the plant warehouse.

64. COM The maintenance cleaning practices were found satisfactory. The maintenance debris, tools, and other items generated during maintenance activities were removed from the work area.

65. COM This facility had an automated Entech fogging system for fogging the interior of the plant. This system was operated inside a fenced, gated and locked enclosure inside the facility. It was noted that the plant used a pre-operational inspection procedure that included additional cleaning when noted on the inspection checklist. The pre-operational inspector would be notified when fogging had occurred and would require cleaning of product zones prior to releasing the equipment for operation. This general program was documented for review.

EXTERIOR AND ROOF

66. COM No issues were observed on the roof of the facility. All air intakes were properly screened to prevent any pest access into the facility.

67. MS A break in the concrete block wall was observed next to dock door 5 on the north exterior wall of the facility. The break in the concrete block should be properly sealed to prevent any possible pest entry or harborage in the block wall.

68. COM The paved areas around the facility had been repaired since the previous audit. No issues with standing water or potholes were noted.

69. COM During the exterior inspection, it was noted that the dumpsters used for trash or garbage were located away from the building. The dumpsters were open, but all trash in the dumpsters was being secured inside tied plastic bags. This would prevent possible pest (bird) attraction to the dumpsters.

SUPPORT AREAS

70. COM The employee break room and employee rest rooms were inspected and found to be properly cleaned and maintained.

71. MS In the wash room, a broken plastic light shield was observed. It was noted that all fluorescent lights in the facility were shatter-resistant. However, the broken plastic should be removed to prevent possible fragmentation into the wash room. This was not an open product area.

MAINTENANCE AREAS

72. OP Maintenance areas inspected during the audit were found to be generally clean and maintained. Continued to attention to storing items so that perimeter inspections can be performed was recommended.

WAREHOUSE

73. COM In the warehouse caged area, the insect light trap had a bulb that was not working. Also the glue board had a number of insects trapped. The light bulb should be replaced and the glue board should be replaced to provide an effective insect monitoring program in this storage area.

74. COM The top of the break room was inspected and found to be generally clean and properly maintained.

75. COM The general warehouse storage areas were inspected and found to be properly organized and well maintained. No spillage or torn ingredient containers were observed.

PEANUT BUTTER AND PASTE OPERATIONS

76. OP **In the peanut butter mixing operation, several instances of open ingredient containers were observed in the area of the mixer located on the roof of the peanut butter room. Ingredient containers should be closed or secured when not in use in order to prevent possible product contamination due to materials falling into the ingredients being used. (IMPROVEMENT NEEDED)**

77. MS In the peanut butter room, the plastic motor fan cover for the blender motor was broken and damaged. While the blender was covered, the plastic cover could fragment and should be replaced.

78. COM In the votator room, the peanut butter transfer piping passageway had loosened and created a gap in the wall seal. In order to prevent any possibility of insect harborage, the wall opening should be re-sealed.

79. CP In the corner by the peanut butter peanut pour-up stations, product residue accumulation was noted on the horizontal beams and in the corner at the floor/wall junction. Several live sawtooth grain beetles were noted in the residue. This area should be thoroughly cleaned and monitored to prevent further buildup and possible insect development.

80. MS **In the paste room, the hoist cable had a label located above the peanut hopper that was peeling and could fall into the peanut hopper. The label was immediately removed. Attention should be paid to all items located above open zones. (IMPROVEMENT NEEDED)**

81. CP In the northeast corner of the paste room, a gap was noted between vertical roof support beams. This gap had product residue accumulated in the small opening between the beams. A live sawtooth grain beetle was found in the residue. This gap should be thoroughly cleaned to remove all product residue. In addition, it was recommended that the gap be sealed with concrete to remove the gap and provide a cleanable surface.